

From: Avish Dahiya
Sent: Fri, 23 Jun 2023 23:39:57 -0400
To: Milan Gandhi; Mark Srour
Subject: Fwd: BBBY | Cash Flow Model

Hi Mark and Milan,

Check the email below from Lazard. They are indirectly telling us to do our own work. This also shows our inability to do certain due diligence internally. Every other bidder has done more extensive work.

We have to develop this ourselves... based on what has been already shared. Milan, can you help? Can we even do this? If we cannot even give them what they need, we look highly unprofessional not knowing what we are doing. Today they challenged our due diligence and understanding of running this business by asking us if we really know what it will take to run the business cash flow positively and if our numbers were matching the ask. They were asking us to be cash positive to run the company better, and raise more equity, and if we knew what were immediate expenses in closing the deal.

Lack of proper internal teams/professionals to work on this project, we are all shooting in the dark with no internal capabilities to help. While we were trying to do deals, there should have been a team of ours with Legal, Financial, and Technology Capabilities working in the background on Due diligence and working with their operating teams.

A lot of Data we see now in the Data room slowly emerged as companies did due diligence and asked questions and more data got added to the Data room.

We have one expert (Amit) in technology and IT who Is working with their team. He has already put in 40 hrs on this project. We have not paid him. He is doing due diligence, assessment and working on TSA for Technology. This is a large investment and a key component for a going concern. We do not know much about other areas to validate transition and validation of information. We are just going with BBB Team data and did not do any due diligence on the Data in the Data room.

A lot of information is in the Data room that we should have looked at regarding HR, Legal, leases, stores, finance and budgets, planning,

Like Go Global (Which had a team of 8 working on BBB) - we should have by now made a team of experts who would have been looking at all aspects of this business and have a plan of execution during Transition time.

- Deal-Making and Funding Team
- Legal & Retail (Lease) Team
- Financial Team
- HR Team
- Operations Team - Store and Corporate

- Technology & IT Team
- Logistics/SupplyChain/Sourcing Team

It is so critical and urgent for us to have this team in place who are fully focussed on this transaction. Our partners need information, and we needed to build the terms and investment models/deal sheet that we could have presented, including NDA's. We have been sharing information across all and exposing ourselves in the process.

Patty does not have all the help she needs at this time, she has temp financial help, the IT tech team is barely hanging with few leaving for better opportunities, etc. She is banking on our help and ability to make the transition smoother so she can focus on running the business. I will try working with her over the weekend on TSA and others.

If we do win the Bid, we have to have a capable/dedicated team that can immediately help in the transition and stabilize the business. Or else we may lose the value of the asset immediately post-transition.

Your thoughts are welcome.
very best
Avish

----- Forwarded message -----

From: **Shea, Brendan** <brendan.shea@lazard.com>

Date: Fri, Jun 23, 2023 at 6:37 PM

Subject: BBY | Cash Flow Model

To: avish@dreamonme.com <avish@dreamonme.com>, Milan Gandhi
<milan@dreamonme.com>

Cc: Tempke, Christian <christian.tempke@lazard.com>, Project Butterfly 2023
<project.butterfly.2023@lazard.com>

Avish / Milan,

We connected with Isabel at Alix who mentioned the conversation you had this afternoon regarding a modeling exercise.

Based on our conversation with her, we think you already have the components that you need. The most relevant file is probably 3.3.6.3.3 in the VDR, which is the 95-store business plan that the Company prepared. This includes a five year income statement and cash flow forecast, including key working capital items such as inventory, accounts payable, and accounts receivable.

We understand that in order to secure financing, you are looking to incorporate transaction sources and uses and weave in the impact of the capital structure on cash flow, but that portion of the model should be built and supported by you, the buyer.

Let us know if you have any questions on this.

Best,
Brendan

Brendan Shea

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